

Certification Requirements for Encounter Reporting

Purpose

To ensure that each Managed Care Organization (MCO) can demonstrate a thorough understanding the interfaces required between their Claims Processing System and the Encounter Application, each MCO is required to complete an encounter submission test process, submit monthly reconciliation summary reports, and pass an initial certification audit of production source and transmission data.

Readiness Objectives

Testing:

Each MCO must successfully complete a series of test worksheet scenarios on different types of claims data and submit text XML files. These tests serve as a basis for ensuring that most claim scenarios are executed through the testing process. All related edits and errors are reviewed during this process, minimizing any unexpected errors when the MCO begins submitting actual data to the encounter application. Upon successful completion of this testing process, each MCO demonstrates their readiness to begin submitting encounters and have earned their readiness certification to submit production claims data to the encounter production application.

Reconciliation:

In addition, each MCO is required to submit accepted encounter transactions for the first (and subsequent) month of contracted claims processing by a specified date in the month following the reporting month (i.e., claims posted in January will be submitted in February). Monthly reconciliation reports must be submitted beginning the second month of operation, and include reconciled historical summary reports each month following the first month of operation.

Auditing:

The MCO is also required to provide documentation to support an audit of submissions. The Department performs audits of randomly selected production transaction and MCO source data items to verify the accuracy of the encounter transactions in relation to the source data. In addition to transaction sampling, the Department requires that encounter transactions can be reconciled to financial reports.

Test Approach

Each MCO must be able to successfully execute each claim type or scenario listed on the Encounter Reporting Certification Worksheet, based on the list below. Each claim type must originate from the MCO's claims processing system, or their TPA's claims processing system, or an identical test version of either. The scenarios are designed to assure

understanding of the implementation guide requirements and may include, but are not limited to the following claims circumstances:

- Uniform Bill-92 Health Claims (UB-92)
- HCFA 1500
- COB with Medicare & other payers
- Zero Pay
- NDC Drugs
- Medical services
- Non-medical services
- Case Management
- Transportation
- Financial management services
- MCO provided services
- Therapies provided in a residential facility
- Revenue receipts
- Denied services
- Day treatment services
- Residential services
- Supportive home care
- OTC pharmacy
- Adaptive aids
- Personal Care
- Member Share
- Spend down transactions
- Claims for MCO purchased services
- Inpatient hospital stays
- Services provided outside of the county of responsibility

The worksheet containing test scenarios is provided to the MCO to aid in the testing process. This worksheet includes scenarios covering the error correction process for financial and non-financial data.

New organizations must also be able to demonstrate their comprehension of correct methods used for regular monthly XML submissions as well as adjustments, data certification, and data reconciliation. Test XML submissions verify the MCO's ability to generate well-formed XML files.

Reconciliation Approach

A series of short reports are required to reconcile the submitted encounter data to the MCO data source. Data that is submitted by the MCOs is currently held in a repository and loaded from the repository into the DHFS MEDS data warehouse. These reconciliation reports meet two objectives:

- To ensure the data that is received from the MCOs is what was sent and stored correctly in the repository, and
- To ensure nothing in past data has changed in either system.

Summary data is all that is required for each of these reports. Each report must include data for all months in the specified tie-out period. These reports include the following:

- Claim Status Summary Report, which summarizes the Paid Amount and Record Count by Claim Status
- Posting Month Summary Report; which summarizes the Paid Amount and the Record Count by Posting Month
- Record Type Summary Report; which summarizes the Paid Amount and Record Count by Record Type

New organizations are expected to begin submitting reconciliation reports with their second monthly file submission.

Audit Approach

The encounter reporting certification process continues with a more detailed evaluation of the integrity of the data, as well as an evaluation and verification of the MCOs understanding of encounter reporting implementation requirements.

The audit portion of the encounter reporting certification process examines the production data sent to DHFS from the MCO with respect to these requirements, in order to evaluate and verify the MCOs understanding of encounter reporting implementation requirements. Sample records of claims for services are selected and traced from the DHFS encounter data repository back to the MCO local system, and to the service provider to ensure proper tracking and reporting of encounter details. An audit report is produced, which summarizes any discrepancies found and outlines remedies for data corrections and process improvements for future data reporting.